

SOUTH BEND REDEVELOPMENT COMMISSION REGULAR MEETING

April 7, 2006

10:00 a.m.

Presiding: Marcia I. Jones, President

227 West Jefferson Boulevard
South Bend, Indiana

1. ROLL CALL

Members Present:

Ms. Marcia Jones, President
Mr. Greg Downes, Secretary
Mr. Hardie Blake, Jr.
Mr. William Hojnacki

Members Absent:

Mr. Karl King, Vice President

Legal Counsel:

Ms. Cheryl Greene, Esq.
Mr. Shawn Peterson, Esq.

Redevelopment Staff:

Mr. Don Inks, Director
Mr. Bill Schalliol, Economic Development Specialist
Mrs. Cheryl Phipps, Recording Secretary
Mr. Timothy Williams, Economic Development Specialist
Ms. Jennifer Laurent, Economic Development Specialist
Ms. Kathy Hahn, Economic Development Specialist
Mr. Nicholas Witwer, Economic Development Specialist

Others Present:

Ms. Jamie Loo, South Bend Tribune
Ms. Charlotte Sobel, South Bend Heritage Foundation
Mr. Paul Phair, Holladay Corporation
Mr. Mike Cochran, Habitat for Humanity
Ms. Violet Blosser, Habitat for Humanity

Ms. Jones noted a Revised Agenda for the April 7, 2006 meeting. Item 6.E.(2) was removed from the original agenda.

2. APPROVAL OF MINUTES

A. Approval of Minutes of the Regular Meeting of Friday, March 24, 2006.

There were no Minutes ready for approval.

THERE WERE NO MINUTES READY FOR
APPROVAL.

South Bend Redevelopment Commission
Regular Meeting –April 7, 2006

3. APPROVAL OF CLAIMS

Redevelopment Commission Claims submitted April 7, 2006 for approval.

324 AIRPORT AEDA

Code Enforcement	\$ 543.00
Meridian Title Corporation	150.00
Christopher L. Laux	35.00
Denise L. Borton	1,650.00
SBD Reprographics	100.45
Abonmarche Consultants Of Indiana L.L.C.	8,500.00
TRI County News	55.65
South Bend Tribune	75.90

420 FUND TIF DISTRICT-SBCDA GENERAL

Schindler Elevator Corp	120.18
SBC	122.86
KRC Roofing & Sheet Metal, Inc.	350.00
South Bend Water Works	331.48
CB Richard Ellis	835.53
I & M Power	1,104.85
Kathryn Schuth	200.00
Jennifer Laurent	49.00

424 FUND TIF SBCDA - BUILDING OPERATIONS

Ampco Parking Systems	12,533.35
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428 FUND AIRPORT 2003 BOND

Kankakee Valley Construction	263,684.97
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\$ 290,442.22

Upon a motion by Mr. Downes, seconded by Mr. Hojnacki and unanimously carried, the Commission approved the Claims submitted April 7, 2006, and ordered checks to be released.

COMMISSION APPROVED THE CLAIMS
SUBMITTED APRIL 7, 2006, AND ORDERED THE
CHECKS TO BE RELEASED

4. COMMUNICATIONS

There were no Communications.

THERE WERE NO COMMUNICATIONS

5. OLD BUSINESS

There was no Old Business.

THERE WAS NO OLD BUSINESS

6. NEW BUSINESS

A. Tax Abatements

- (1) **Commission approval requested for Resolution No. 2234 approving an application for real property tax deduction. (1142 E. Sorin and 105, 109 and 113 Carlisle, Habitat for Humanity)**

Habitat for Humanity is preparing to build new homes on properties at the above listed addresses. The homes will be between 1,120 square feet and 1,344 square feet in size. They will have three or four bedrooms and one or one and three-quarter bathrooms. Each home will be built on a crawl space. Habitat will use volunteer labor and donated materials to build the homes which will be sold to qualified low income families. The approximate cost of each home will be \$65,000.

Habitat for Humanity has received eight tax abatements since 1998 and is in compliance with all reporting for those abatements.

The property is properly zoned for the proposed project. The property is in the West Washington-Chapin Development Area; therefore the petition for real property tax abatement must first be approved by the South Bend Redevelopment Commission.

The project qualifies for a five year tax abatement under the Tax Abatement Ordinance.

6. NEW BUSINESS (CONT.)

A. Tax Abatements

(1) continued...

Mr. Cochran, Habitat for Humanity, noted that one house will be built on the Sorin Street lot in July. The three lots on Carlisle will be combined to hold the other two homes, expected to be built starting in September.

Upon a motion by Mr. Hojnacki, seconded by Mr. Downes and unanimously carried, the Commission approved Resolution No. 2234 approving an application for real property tax deduction. (1142 E. Sorin and 105, 109 and 113 Carlisle, Habitat for Humanity)

COMMISSION APPROVED RESOLUTION No. 2234 APPROVING AN APPLICATION FOR REAL PROPERTY TAX DEDUCTION. (1142 E. SORIN AND 105, 109 AND 113 CARLISLE, HABITAT FOR HUMANITY)

B. Housing

(1) Commission approval requested for Loan and Grant in connection with the South Bend Home Improvement Program for property located at 962 Sylvan Lane. (John Jamerson)

Mr. Inks noted that the loan is in the amount of \$ 4,400. The grant is in the amount of \$12,500.

Upon a motion by Mr. Downes, seconded by Mr. Hojnacki and unanimously carried, the Commission approved the Loan and Grant in connection with the South Bend Home Improvement Program for property located at 962 Sylvan Lane. (John Jamerson)

COMMISSION APPROVED THE LOAN AND GRANT IN CONNECTION WITH THE SOUTH BEND HOME IMPROVEMENT PROGRAM FOR PROPERTY LOCATED AT 962 SYLVAN LANE. (JOHN JAMERSON)

6. NEW BUSINESS (CONT.)

C. South Bend Central Development Area

(1) Staff report on disposition of property in the South Bend Central Development Area. (Rink Riverside site)

Ms. Laurent noted that on January 20, 2006 two proposals were received by the Commission for redevelopment of the former Rink Riverside site at the corner of Colfax and Sycamore St. Neither bid was conforming in that neither met the purchase price. Thus, by statute, both bids were rejected.

The Commission directed staff to conduct further analysis of both proposals. Staff found the elements of either concept could ostensibly help fulfill the goals of the development plan for the area, though both projects vary widely in scale, primary land uses, and impact in the immediately surrounding area. Both were creative solutions to master planning for less than a one-acre tract of land. However, too many unknowns were presented in each to make a reasonable comparison. Subsequent to the initial review by both the Commission and staff, the Commission requested that the two interested development teams present clarifications to the terms and conditions laid out in their respective bids in public meetings which were held on March 3 and March 10, respectively. This was a rigorous and productive exercise which allowed for a dialog to begin about the schematic and financial implications of both. The Ralph Jones Partnership proposal was called East Gateway. The problem with this proposal is that the level of city investment is

6. NEW BUSINESS (CONT.)

C. South Bend Central Development Area

(1) continued...

somewhere in the range of \$9.9 million and \$17 million, at approximately 35% of total project cost. Those were the numbers presented in the public meeting by the development team. That is an unacceptable ratio, plus it is a large number for budget purposes.

The second proposal was called Mill Race Isle, by the Eco-Urban Collaborative. This would be a mixed use environmental development. Staff has yet to receive a fully responsive set of financial projections on this project. Therefore, limited analysis of project viability can be conducted.

Ms. Laurent noted that that is where the evaluation is today. It is encouraging to see the potential for new gathering spaces and economic life along the St. Joseph River and to see healthy competition for downtown development sites. Staff believes strongly in the role of the city and Commission to enable projects to move forward which benefit the community and provide a basis for future development to occur without such assistance. The responsibility of utilizing tax dollars wisely to do so is taken seriously. This week the Controller has asked that our department complete formal fiscal impact statement in considering any major project in considering jobs created, tax base impact, as well as all direct costs. This will help clarify achievement of our economic goals as well as improving internal communications about projects. To do so requires having accurate

6. NEW BUSINESS (CONT.)

C. South Bend Central Development Area

(1) continued...

and realistic information from the project teams.

So, staff recommends your authorization to communicate the points mentioned today to the respective developers and to report back on any progress made. In the meantime, we will still be accepting additional proposals if any were to come in.

Mr. Hojnacki clarified that Ms. Laurent was seeking to continue discussions with the developers Ms. Laurent responded that staff will initiate the discussions and that the goal is clarity.

Ms. Jones noted that a lot of work is going on, though that might not be evident. The short report represents a tremendous amount of work by staff, discussion and study by the Commissioners. That is the way we need to be about public business. We have a huge fiduciary responsibility to watch out for the tax dollars. Developing public and private projects has no cookie cutter approach. There is no template. That's why it takes this amount of time, effort, public input and private discussions.

D. Sample-Ewing Development Area

There was no business in the Sample-Ewing Development.

THERE WAS NO BUSINESS IN THE SAMPLE-EWING DEVELOPMENT

6. NEW BUSINESS (CONT.)

E. Airport Economic Development Area

- (1) Commission approval requested for Resolution No. 2235 amending Resolution No. 2230 appointing the Board of Public Works of South Bend as limited agent for utility improvements.**

Mr. Witwer noted that Resolution No. 2230 established \$110,000 as a not-to-exceed amount for the improvements. When bids came in, the lowest bid was \$118,957. Resolution No. 2235 establishes a not-to-exceed amount of \$144,000, which should cover any unexpected work during the relocation.

Upon a motion by Mr. Hojnacki, seconded by Mr. Downes and unanimously carried, the Commission approved Resolution No. 2235 amending Resolution No. 2230 appointing the Board of Public Works of South Bend as limited agent for utility improvements.

COMMISSION APPROVED RESOLUTION No. 2235 AMENDING RESOLUTION No. 2230 APPOINTING THE BOARD OF PUBLIC WORKS OF SOUTH BEND AS LIMITED AGENT FOR UTILITY IMPROVEMENTS

F. South Bend Medical Services District

There was no business in the South Bend Medical Services District.

THERE WAS NO BUSINESS IN THE SOUTH BEND MEDICAL SERVICES DISTRICT

G. West Washington-Chapin Development Area

There was no business in the West Washington-Chapin Development Area.

THERE WAS NO BUSINESS IN THE WEST WASHINGTON-CHAPIN DEVELOPMENT AREA

H. South Side Development Area

There was no business in the South Side Development Area.

THERE WAS NO BUSINESS IN THE SOUTH SIDE DEVELOPMENT AREA

6. NEW BUSINESS (CONT.)

I. Northeast Neighborhood Development Area

There was no business in the Northeast
Neighborhood Development Area.

THERE WAS NO BUSINESS IN THE NORTHEAST
NEIGHBORHOOD DEVELOPMENT AREA

J. Douglas Road Economic Development Area

There was no business in the Douglas Road
Development Area.

THERE WAS NO BUSINESS IN THE DOUGLAS
ROAD DEVELOPMENT AREA

K. Other

7. PROGRESS REPORTS

Ms. Sobel gave the Commission an update on South Bend Heritage's progress on the three sites in the West Washington-Chapin Development Area that they were demolishing. The Oil Express demolition is complete, including grading, seeding and new curbs and sidewalks. At Basic Machine, the building is down and environmental analysis and asbestos removal are complete. Infill of the underground coal vault is almost complete, along with resulting sidewalk and curb replacement. At the Engman Natatorium, environmental analysis and asbestos removal are complete. Chlorine tanks have been removed. Demolition of the pool area and parking lot is complete.

PROGRESS REPORTS

Commissioners thanked South Bend Heritage for their leadership in removing these eyesores.

Mr. Inks noted that staff has closed with South Bend Chocolate Company on the former Osco's building. That was one of four sites staff had out for proposal last winter.

The South Bend Stamping plant demolition is approximately 1/3 complete---500 sft is down. The remaining 2/3 is more difficult and will proceed more slowly.

South Bend Redevelopment Commission
Regular Meeting –April 7, 2006

9. PROGRESS REPORTS (CONT.)

Mr. Williams reported that the Main/Colfax garage renovation is about two weeks ahead of schedule. The northeast and northwest entryways are finished except for installing the gates. The concrete work on the west side is also complete.

8. NEXT COMMISSION MEETING

The next meeting of the Redevelopment Commission is scheduled for Friday, April 21, 2006 at 10:00 a.m.

NEXT COMMISSION MEETING

9. ADJOURNMENT

There being no further business to come before the Redevelopment Commission, Mr. Downes made a motion that the meeting be adjourned. Mr. Blake seconded the motion and the meeting was adjourned at 10:25 a.m.

ADJOURNMENT

Donald E. Inks, Director

Marcia I. Jones, President